

"THE CAT AND THE FIDDLE."



Hey, diddle, diddle.
The mine owner's fiddle.

SMALL CHANGE.

Silverites claim that the adoption of their scheme would "make more work." In the sense that men would have to work harder to get the things they need, free silver would certainly make more work. So would burning down houses make more work for carpenters. But that is no reason for abolishing fire departments in our towns and cities.

The progress of civilization in any country is best shown by the use of superior tools and labor saving inventions. There is no doubt that if the skilled American mechanic were compelled to work with the crude tools used in China and India, it would take him far longer to make an article, and he would thus have to work harder than he does now. Does he want that kind of "more work?"

In the same way the adoption of an inferior metal like silver for a standard of value would make the process of production and exchange of commodities more difficult, and thus the working classes would have "more work." But since it is not merely work in itself, but the products of labor, which workingmen really want, their best interests are served by the use of that standard of value under which production and exchange are greatest and easiest.

There can be no question that it is in the countries which have deliberately adopted the gold standard that the intelligence of the people, as shown through their superiority in methods of production, arts, sciences, literature, etc., has reached its highest level. Since this is the case it is reasonable to infer that their use of a particular metal for a measure of value was guided by the same wisdom which they have shown in other directions. The silverite idea, that all the civilized Nations are inferior to the semi-civilized countries on the one point of their monetary standard, while exulting in all other respects, is too absurd for serious argument.

All attempts to show how free coinage would increase the demand for goods, and, therefore, create a business boom, have dismally failed, and the silver cause is rapidly losing the supporters who were attracted by the promise of better times under the silver standard. The proof that cheap money does not encourage consumption, and therefore would not increase the volume of exchanges of goods, is found in the undeniable fact that in all countries using only silver money the average consumption is much smaller than in the gold standard countries. As the production of goods must be limited by their consumption, it is evident that a scheme which merely looks to an artificial stimulation of production could not bring any increase in industrial prosperity.

In the silverite arguments intended to show the farmer that he would be richer if he received more "dollars" for his products, it is taken for granted that the dollars he would get under free coinage would be worth just as much as those he gets to-day. If the farmers once understood that the value of the money they are paid for their crop depends entirely on the quantity of goods which it will buy, and that with free silver a dollar would only purchase half of what it will now, they would quickly cease their agitation for cheap money. When the silverites claim that free coinage will double prices of all products, they practically admit that their silver dollar would be worth but fifty cents. What the farmers need is more 100 cent dollars, and not a lower measure of value.

The money question has been laid away, and instead the farmers are discussing and devising ways to take care of their big corn crop.

A BITTER EXPERIENCE.

That of the Wage-Earner With Depreciated Currency During Our Greenback Period.

Perhaps there is no better or clearer demonstration of the effect of a depreciated currency upon wages than that offered by the experience of the United States during the Civil War. Prices advanced as soon as the Government began to issue legal tender notes. Wages advanced a little later but less rapidly. At no time during the period from 1861 to 1867 had wages advanced sufficiently so that the wage-earner could purchase as much for his day's labor as in 1861.

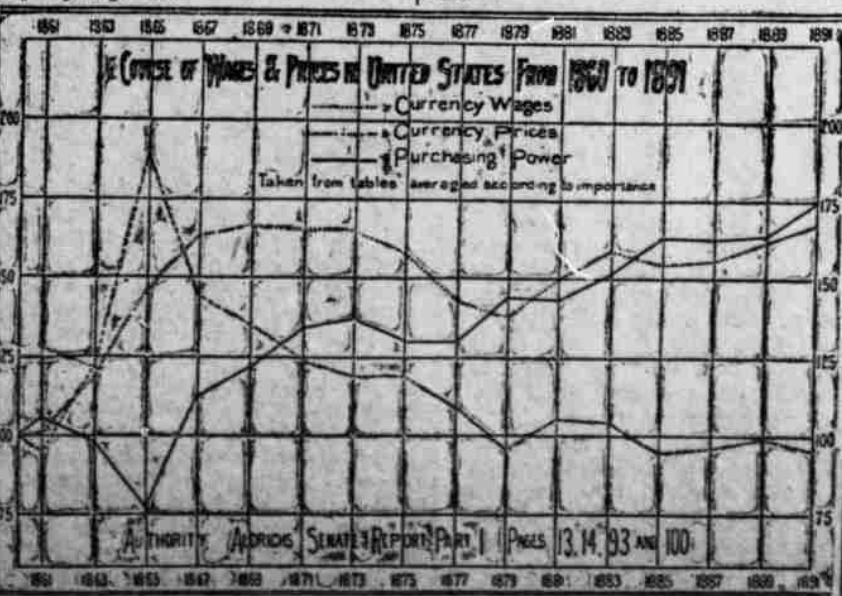
In spite of the fact that about one-fourth of the best workers were serving as soldiers and withdrawn from competition with their fellow wage-earners, so great was the decline in the purchasing power of wages that, in 1865, the workingman found himself working for four-fifths of what he had received in 1861. Since 1865, and especially since the resumption of specie payments in 1879, the purchasing power of a day's labor has been steadily increasing.

In the following table (taken from "Quality of Money and Wages," by Frank L. McVey) the average nominal wages paid in leading occupations in 1860 was taken as a normal—100 per cent.; the prices for the leading necessities of life in 1860 were taken as the normal for prices; the amount of these necessities that could be purchased by a day's labor in 1860 was taken as the normal for the purchasing power of wages.

TABLE OF WAGES, PRICES AND PURCHASING POWER IN THE UNITED STATES, 1860-1891. (Aldrich's Senate Report, Part I., pp. 13, 93.)

Year.	Currency Wages.	Currency Prices.	Purchasing Power.
1860	100.0	100.0	100.0
1861	100.7	95.9	105.0
1862	103.7	102.8	100.8
1863	113.8	122.1	97.3
1864	134.0	149.4	89.7
1865	148.6	190.7	77.9
1866	155.6	160.2	97.1
1867	164.0	145.2	112.9
1868	164.9	150.7	109.4
1869	167.4	135.9	123.2
1870	167.1	130.4	128.1
1871	165.4	124.8	133.3
1872	167.1	122.2	136.7
1873	166.1	119.9	139.5
1874	162.5	120.5	134.8
1875	159.0	119.8	131.0
1876	151.4	115.5	131.0
1877	143.8	109.4	131.4
1878	140.9	103.1	136.6
1879	139.4	96.3	144.3
1880	145.0	103.4	137.6
1881	151.7	105.8	142.4
1882	152.9	106.3	143.8
1883	159.2	104.5	152.3
1884	155.1	101.8	152.3
1885	155.9	95.4	163.4
1886	155.8	95.5	163.2
1887	156.6	96.2	162.7
1888	157.9	97.4	162.1
1889	157.9	99.0	164.5
1890	163.2	95.7	175.7
1891	163.6	96.2	175.4

The wage-earner's loss is shown in a more striking form in the accompanying diagram, also taken from Mr. McVey's pamphlet:



It seems strange, with such a history and such an experience before him, that any wage-earner would be foolish enough to agitate for depreciated silver or any other kind of cheap dollars.

NO SILVER IN CIRCULATION IN 1873.

The plain truth is that this act of 1873, which has been the subject of so much misapprehension and denunciation, was simply a legal recognition of a monetary condition which had existed in fact in this country for about thirty-five years, or ever since a short time after the passage of the coinage act of 1834. From about the year 1838 until after the passage of the Bland-Allison act in 1878, no silver dollars were in circulation in this country, and our whole currency consisted of gold coins and bank notes, except from 1862 to 1878, when our active circulation, outside of California and its neighboring territory, was all paper. There was during the latter period about \$25,000,000 in gold in circulation on the Pacific Coast, and the United States was collecting customs dues in gold and using it in the payment of interest on the public debt; but there was no silver in circulation anywhere in this country, not even the light-weight subsidiary coins. The value of the United States note or greenback was always measured by gold and not by silver, and commodities had a gold price and a paper price, but never a silver price, because silver, except the half-dollars, quarters and dimes coined under the act of 1853, had been out of use here for more than twenty years before the commencement of the war, and even these subsidiary coins had not been in use for eleven years prior to 1873. Our own monetary history had already furnished two most striking illustrations of the operation of the natural law under which the coins which are over-valued by statute always drive out of circulation the coins which are under-valued. Our own experience had again demonstrated what the history of the world already showed—that whenever the coinage laws of any country permit the free coinage of both metals with full legal-tender qualities at a ratio of value which does not conform substantially to their intrinsic or commercial ratio in the markets of the world, both kinds of coin cannot be kept in circulation at the same time. The reason is that, both being full legal tender, the least valuable coin will always be used in making payments, and will become the sole measure of value, and the most valuable will be hoarded or sent out of the country into the markets where its real value can be obtained.—Hon. John G. Carlisle.

A "Bimetallic" Paper's Blunder.

The Philadelphia Manufacturer expresses a common Populist error when it says: "It is exactly true that the commercial prosperity of a country depends upon the presence of metallic money in large abundance." Instead of being true this statement is exactly the reverse of the facts. The production, distribution and consumption of large quantities of goods, which is what is meant by commercial prosperity, depends on the honesty, industry and intelligence of the people of a country; on the natural conditions of soil, climate, etc.; and on the mineral and other resources which furnish the raw materials for manufactured goods. The presence of metals which will serve as a measure of values, and a means for exchanging goods more readily than by barter, will be of material aid in the general machinery of industry and commerce. But to say that commercial prosperity depends on the means of lessening the friction of exchange is equivalent, to use an illustration from ex-Secretary of the Treasury Fairchild, to saying that the transportation of goods depends on the amount of grease used on car or cart axles. Does the Manufacturer pretend that with a large abundance of metallic money Iceland or Greenland would be prosperous, while without such money Holland would be a poverty-stricken country?

It will now be in order for some of our "16 ter ones" to kick on the golden streets because they are not paved with silver, and swear that the whole plan of salvation is a scheme of the gold bugs to put heaven on a gold basis.

THE SILVER DISCUSSION.

Disputed Points Definitely Settled During the Past Six Months.

During the past six months the country has been turned into a vast debating society, and the proposition for the free coinage of silver at a ratio of 16 to 1 has been eagerly discussed in the magazines and newspapers, on the platform and in political conventions. At the outset the advocates of free silver appeared to be in the majority, and as their movement was well organized it seemed as though the 16 to 1 issue would sweep the country.

But the advantage of the cheap money shouters was shortlived. Realizing the danger of the business interest of the country from the threat of a depreciated standard of value, the believers in a sound currency and an honest dollar joined in exposing the fallacies and delusions of the free coinage scheme. Through the sound money press, and in a large number of books and pamphlets, the folly and dishonesty of free silver was clearly shown, and by facts and statistics, which left no room for controversy. Now that public sentiment is strongly inclined in favor of maintaining our present sound financial system, a brief review will show the main points which have been definitely settled during the free coinage discussion.

1. It was asserted by the silverites that by "the crime of 1873" silver was secretly demonetized. It has been proved beyond dispute, so that the charge has been generally dropped, that the coinage laws of 1873 were adopted after being three years before Congress, and with the full knowledge of the members of both Houses.

2. It was claimed that the free coinage of silver at 16 to 1 would establish a bimetallic standard of values, whereby both gold and silver would be used as standard money. It has been proved that in reality free coinage at 16 to 1 would mean silver monometallism, and this is now admitted by such eminent advocates of bimetalism as President Andrews and General Francis A. Walker.

3. It was urged that there was a scarcity of money and that free silver would give a larger volume of currency. It has been proved that there is now more money per capita than at any time in the history of the country, and that the adoption of the silver standard would lead to currency contraction by driving out all our gold.

4. It was said that since 1873 one-half of the money of the country had been struck down. It has been shown that while in 1873 there was less than \$100,000,000 of silver money of all kinds in the country, there is now over \$500,000,000.

5. It was charged that the gold standard was adopted and maintained at the instigation of a small creditor class, against the interests of a large debtor class. It has been proved that the number of creditors far exceeds that of the debtors, and that the only way in which free silver could benefit debtors would be by aiding them to repudiate part of their debts.

6. It was said that the passage of a free coinage law would raise the commercial value of silver from 30 to 1 to the ratio of 16 to 1. It has been proved that it would be impossible for the Government's stamp on silver coins to increase their real value, which, as in the case of all other commodities, depends on supply and demand.

7. It was claimed that free coinage would benefit workingmen by giving them higher wages. It has been proved that under the silver standard the prices of everything the workingman buys would at once be doubled, while any increase in wages would be slow and much smaller in proportion.

8. The cotton planters and wheat growers were told that the decline in the price of their products was caused by the gold standard. It has been shown that during the past six months cotton has advanced 50 per cent., and that wheat rose from 55 to 84 cents per bushel, without any change in the standard or volume of money. It has also been shown that prices of corn (our greatest staple), oats, butter and eggs, and of many other farm products, as well as of the price of labor (wages), are higher now than in 1873.

9. The business depression of 1893-4 was asserted to be due to the alleged demonetization of silver. The present widespread industrial revival, with factories running on full time, new mills being built, and general evidence of prosperity, is a complete answer to the calamity howl which was the main reliance of the silverites.

Disaster With Dishonor.

National dishonor is the dishonor of every citizen; and any change in the standard of value, or anything done which shall deprive any creditor of the United States of payment in full in money recognized as valid by the leading commercial Nations of the world, will not only be dishonorable, but will result in the pecuniary loss to every citizen in the United States.—R. Weissinger, in "What Is Money?"

A Question.

Querious—"What do the silver people mean by 16 to 1?"
Jollicus—"Those are the odds against their winning."

MILLS'S POSITION.

OUTSIDE THE SILVER CAMP.

He Finds It Impossible Longer to Believe in the Free Coinage Delusion—He Gives Most Excellent Reasons for His Change of Front.

Senator Mills, of Texas, has during the past six months renewed his study of the money question, and has come to the conclusion that free coinage of silver at a ratio of 16 to 1 with gold is a delusion. His recent letter to the Chairman of the Democratic State Committee of Texas has created consternation in the camp of the silverites. Why it should do so will be understood after reading the following extracts from his letter:

"The proposition is not to be disputed that the increase of currency, all other things being equal, raises prices wherever the money circulates. But prices are not affected in any country where the money does not circulate. The opening of our mints to the unlimited coinage of silver will increase prices in the United States, but not in Europe. As the prices of commodities rise here, the value of the dollar falls here in precisely the same proportion. The price of the gold dollar, which is the common measure of value, remaining the same in Europe, it would go to Europe, because it would buy more commodities there than here.

"I object to the silver standard being adopted in lieu of the existing standard because it will defraud all creditors out of one-half the value of their debts. Every debt contracted since January 1, 1879, was contracted on the gold standard. The debtor honestly owes the value of 23.22 grains of gold for every dollar promised, and the creditor is honestly entitled to receive it. When it was proposed years ago to demonetize all the coined silver of the world and suppress the further coinage of that metal, I joined with other friends of silver in denouncing the monstrous proposition, because it was an attempt to double the debts of the world, and to bring all debts in this country contracted on a paper standard, much of it at less than 50 cents on the dollar, to par with gold. Is not the proposition now to substitute the silver dollar on the silver standard for that gold dollar the same that we all condemned, except it is the creditor now who is to be the victim instead of the debtor then?"

"No persons would receive the least benefit from the change of standard to silver except the man who owes 100 cents and wishes to pay it with 50. He would under the silver standard be able to discharge his debt by paying one-half of what he promised. This would be a scheme to enrich one-half of a community by despoiling the other half. Wherever there is a debtor there is a creditor, and he is entitled to the same protection as the debtor. Congress has the power to discharge insolvent debtors by a bankrupt law, but the adoption of the silver standard now would discharge all solvent debtors from one-half the obligation of their contracts, even though as a class they might be the wealthier part of the community. "Believing that the silver standard would prove injurious to the people of the United States, and especially to that part of them engaged in growing cotton, I am unwilling to take any steps in legislation calculated to imperil that great industry upon which the welfare of my constituency so greatly depends.

"The vast army of wage-workers will be injured, and seriously injured, by the expulsion of the present standard and the adoption of any depreciated standard of values. The paper standard, as I have said, is the worst, because the paper has no appreciable intrinsic value to check its expansion. The silver standard is the next in order, but its mischief is limited by the market value of the metal in the dollar. The most stable, invariable and the best of all moneys is that one of the precious metals which is recognized as 'the common measure of value' of the commercial world. We have that stable, invariable standard of value now—and there is nothing wanting for its improvement but the substitution of halves, quarters and dimes in the place of National banknotes and a continued coinage of silver so limited in its amount as to keep it at par with gold."

A FROWZY FAD.

Six months ago the free silver craze was as popular in the South and West as the Dolly Varden and crinolone fashions were at one time among women. These fashions had some seeming traits about them, but are now gone and the women pretty and are as sweet as ever. The free silver fashion has some traits. Take it up down the other it is a piece of foolishness bugged the American was popular and it for all it lacks! You can't see it, but can people get it, th